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## OLR Bill Analysis

sSB 237 (File 236, as amended by Senate "A")\*

### ***AN ACT CONCERNING THE SHARING OF INFORMATION BETWEEN THE LABOR DEPARTMENT AND INSTITUTIONS OF HIGHER EDUCATION.***

#### **SUMMARY:**

By law, employers must keep accurate employment records. These records, which contain information that the unemployment compensation administrator (i.e., the labor commissioner) prescribes, must be open for his inspection. With two exceptions, the administrator cannot publish the information or open it to public inspection if it will reveal an employee's or employer's identity.

This bill allows disclosure of this information with the identifiers to the president of the Board of Regents for Higher Education (BOR) for use in his official duties to the extent necessary to evaluate programs at higher education institutions governed by BOR.

Under existing law, the administrator may disclose this information to (1) regional workforce development boards administering certain state and federal programs and (2) nonpublic entities under contract with the Department of Labor (DOL) to administer grants related to unemployment. These boards and entities must enter into a written confidentiality agreement with DOL before accessing the information.

The bill extends this requirement to the BOR president, thus requiring that he agree to:

1. state the purpose for and intended use of the information and affirm that the information will be used only for permitted purposes;
2. store the information in a physically secure location;
3. store and process any electronic information in a format that

- prevents unauthorized access;
4. establish safeguards to ensure that only authorized individuals can access information stored in computers;
  5. enter into a written agreement, approved by the labor commissioner, with any authorized agent that contains the safeguards included in the agreement with DOL;
  6. instruct all people with access to the information about the legal sanctions for unauthorized disclosure and require each employee and agent authorized to review the disclosed information to sign an acknowledgement that they have been advised of the sanctions;
  7. prohibit redisclosing the information, except as permitted in writing by the labor commissioner;
  8. dispose of the information and any copies after it has served its purpose either by returning it to the administrator or verifying to him that the information has been destroyed;
  9. permit audits and on-site inspections by DOL; and
  10. reimburse DOL for the costs of providing the information and conducting the audits.

By law, employees or agents violating these provisions may be fined up to \$200, imprisoned for up to six months, or both. They are also banned from any further access to confidential information.

\*Senate Amendment "A" allows the information to be disclosed to the BOR president only, rather than institutions of higher education or their governing boards as permitted in the underlying file, and requires the president to sign the confidentiality agreement.

EFFECTIVE DATE: July 1, 2012

**COMMITTEE ACTION**

Higher Education and Employment Advancement Committee

Joint Favorable Substitute Change of Reference

Yea 19 Nay 0 (03/06/2012)

Labor and Public Employees Committee

Joint Favorable

Yea 11 Nay 0 (03/20/2012)